



# smart

S A V E   M O N E Y   A N D   R E T I R E   T O M O R R O W

TRANSITION

## The SMART Plan Navigator

Your guide to the new enhancements coming to  
the Massachusetts Deferred Compensation SMART Plan



Office of State Treasurer  
Timothy P. Cahill



charting a new course for





# your future

While the SMART Plan is transitioning to a new service provider, it is important to note that your investment options are not changing.

The Massachusetts Deferred Compensation SMART Plan has selected Great-West Retirement Services® (Great-West) as the new provider of administrative, recordkeeping, communication and investment education services for the Plan. The transition of participant accounts from ING to Great-West is scheduled for March 7, 2008.

This guide will serve as your “compass” to navigating the new enhancements coming to the SMART Plan. It contains important information regarding transition dates, as well as a listing of group informational meetings scheduled at locations across the state.

## Why We're Changing Service Providers

As part of the SMART Plan's commitment to provide participants with a high-quality retirement savings plan, an extensive selection process was conducted by the Department of the State Treasurer with the aid of an independent consulting firm. After evaluating several service providers, Great-West was selected based upon its service enhancement opportunities and lower participant fees.

While the SMART Plan is transitioning to a new service provider, it is important to note that your investment options are not changing. You will still

have access to the same broad array of investment options currently available to you.

You are encouraged to attend a group informational meeting at a location near you to learn more about the changes coming to the SMART Plan. Meetings will take place at locations across Massachusetts during the month of February. No registration is required, so you may attend a meeting at your convenience. A meeting schedule is enclosed with this guide. For the most up-to-date and complete listing of meetings, go to [www.mass-smart.com](http://www.mass-smart.com) > Educate > Educational Seminars.

# New Features, New Benefits, New Fee Structure

**After the transition is complete, you can look forward to the following:**

## **Lower Fees**

The annual administrative fee for all participants with an account balance will be reduced to 0.0875% of Plan assets a year, charged as 0.021875% on a quarterly basis. Compared to the current annual fee of 0.12% of Plan assets, this results in a fee reduction of more than 25%!

## **Improved Online Services**

Online access to account information will be expanded to provide you with improved service. This includes the ability to personalize your account home page. This feature lets you customize and organize your own account information. After the transition, log in to [www.mass-smart.com](http://www.mass-smart.com) > Account Access and click the “Personalize My Page” link in the top-right corner of your home page. From there, select the features that you wish to appear on your home page. Don’t worry too much about what you choose—you may change your selections at any time.

Some other improved online services will provide a simple and paperless solution to managing your account. The new paperless solutions will include:

- **Online Contribution Rate Change**—Increase or decrease your contribution amount via the SMART Plan Service Center automated voice response system or Web site.<sup>1</sup>
- **Contribution Type Feature**—Choose to have your contribution taken as a percentage of your paycheck or as a whole dollar amount.
- **Online Beneficiary Election Feature**—Update your beneficiary information as necessary on the Web site.
- **Statements on Demand**—Access your account data, including transaction history, for a specified time period on the Web site.
- **Online File Cabinet®**—Access your quarterly statements online rather than receiving them in the mail. This feature will store your statements so you can access, view and print them at any time, at your convenience. If you are currently receiving your statement online from ING, you will need to consent with Great-West online after the transition to continue this service.

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# Access to advice and education to help keep your retirement plan on course

## New Call Center Created in Massachusetts

A new call center dedicated to the SMART Plan is scheduled to open in mid-2008. The new SMART Plan Service Center will be staffed with local customer service representatives trained to understand in great detail your Plan's features and benefits. With this enhancement, the SMART Plan Service Center will retain the same phone number at **(877) 457-1900**, and the automated voice response system will continue to allow you to access your account 24 hours a day, seven days a week. After the transition, customer service representatives will be available to assist you with transactions and provide you with account information Monday through Friday, from 9:00 a.m. to 8:00 p.m. Eastern Time.

The SMART Plan Service Center phone number will be taken over from ING and routed to Great-West on March 5, 2008. If you need to contact ING directly after March 5, please call (800) 584-6001.

## Staff Dedicated to the SMART Plan

Enrollment, asset allocation and retirement planning counseling services will continue to be accessible through local SMART Plan representatives. Dedicated to the SMART Plan, a registered representative is available to meet with you at your work location or at one of the office locations most convenient for you. To set up an appointment with your local SMART Plan representative after the transition, call the SMART Plan Service Center at **(877) 457-1900** or go to **www.mass-smart.com** > Contact Us > Find Your Local Representative.<sup>3</sup>

## Expanded Educational Seminars

To help you meet your financial and retirement objectives, a wider range of free educational seminars will be conducted by licensed representatives in more locations throughout the state. A listing of scheduled seminars can be found at **www.mass-smart.com** > Educate > Educational Seminars.

## Quarterly Statements

Great-West will mail you quarterly statements beginning in April 2008. You will receive these statements each January, April, July and October. Your new quarterly statements will include a personalized rate of return, as well as at-a-glance graphics of your asset allocation, your contribution amounts and the investment performance of all SMART Plan funds.

A new call center dedicated to the SMART Plan will be opened in Massachusetts.



# Your New Investment Advisory Service—Reality Investing<sup>SM</sup>

## Where can I learn more about Reality Investing?

After March 17, 2008, go to [www.mass-smart.com](http://www.mass-smart.com) > Advise or call the SMART Plan Service Center at (877) 457-1900 and request to speak to an AAG adviser representative. Regardless of which option you choose, you get a personalized approach based on your finances, your risk tolerance and your investment objectives.



The SMART Plan will be making a significant enhancement to investment guidance and advice services with the addition of Reality Investing. Reality Investing is a behavior-based approach to investing that provides investment advisory tools and services based upon the level of involvement you desire in managing your investments. You can choose as much or as little help as you need. Reality Investing includes Online Investment Guidance, Online Investment Advice and a Managed Account service for personal and professional investment assistance and account management.

### Which Reality Investing investment advisory tools and services are best for you?

**Online Investment Guidance** is the ideal strategy for you if you want some general guidelines to help you manage your own account. Online Investment Guidance provides you with a personalized asset allocation and savings rate recommendation that reflects your unique financial information, retirement time frame, goals and financial situation. There is no fee to use the Online Investment Guidance tool.

**Online Investment Advice** is the ideal strategy for you if you want specific portfolio recommendations to help you manage your own account. Advised Assets Group, LLC (AAG) creates a personal wealth forecast and recommended portfolio based on information drawn from your individual account profile and from the investment options available in the SMART Plan. Your recommended portfolio reflects your unique financial information, retirement time frame, goals and financial situation. Based on your recommended portfolio, you can easily direct your own investment choices and manage them online. Online Investment Advice will be available for a fee of \$25 per year.

**The Managed Account** service is the ideal strategy for you if you lack the time, knowledge or confidence to manage your own account and would prefer to have AAG select the investments and manage your account for you. AAG's Managed Account service provides you with a personalized and strategically designed retirement portfolio that is automatically managed from quarter to quarter. If you choose to participate in the Managed Account service, an annual fee that is based on your account balance will be deducted from your account quarterly. You may cancel participation at any time. Please see the chart below for specific fee information.

Account Balance	Maximum Fee
Less than \$100,000	0.55%
Next \$150,000	0.45%
Next \$150,000	0.35%
Greater than \$400,000	0.25%

Unlike ING's Financial Horizons Advisory Service, the new Managed Account service does not require a \$200 minimum annual fee. If you are currently participating in ING's Financial Horizons Advisory Service, you will receive additional communications detailing the transition to the Managed Account service.

# Important Dates and Key Changes<sup>4</sup>

## February 4-29, 2008—Group Meetings

Group informational meetings to discuss the SMART Plan enhancements and transition activities will be held throughout the Commonwealth. A meeting schedule is enclosed with this bulletin. For the most up-to-date and complete listing of meetings, go to [www.mass-smart.com](http://www.mass-smart.com) > Educate > Educational Seminars.

## February 15, 2008—Deferral Allocations

Your deferral allocation defines how your paycheck deferrals (contributions) will be invested in the SMART Plan's investment options. This will be the last day to make allocation changes to your deferrals with ING. After this date, you will not be able to change your deferral allocations until the quiet period ends on March 17, 2008.

## February 22, 2008

This is the last day ING will process your payroll contributions.

## February 25, 2008—Payroll Contributions

This is the first day that Great-West will begin receiving and recordkeeping your payroll contributions for deposit into your SMART Plan account.

## March 5, 2008—Quiet Period Begins

This will be the last day to make any fund transfers or account changes with ING. Between 4:00 p.m. (ET) on March 5, 2008, and March 17, 2008, no transactions can be made, including investment option transfers, new withdrawals and unforeseeable emergency withdrawals.

## March 7, 2008—Transition Date

This is the last day that ING will record your account activity. All assets will be transferred to Great-West, and it will begin recording your account activity.

## Week of March 10, 2008—Your New Personal Identification Number (PIN) Mails

A letter will be mailed with your new PIN<sup>5</sup> and the current investment allocations for your payroll deferrals. These allocations will be based on the final allocation information received from ING.

## March 17, 2008—All Account Activities Open

The SMART Plan will reopen for all account activities. All existing account balances will be verified and reconciled. The Web site and the SMART Plan Service Center phone system will be fully operational for all transactions.<sup>2</sup> If you have questions regarding transactions that took place prior to March 7, 2008, while ING was the recordkeeper, you may contact ING at (800) 584-6001.

You will need your Social Security number (SSN) and PIN to access the Web site and SMART Plan Service Center automated voice response system. Upon initial login to the Web site, please enter your SSN in the Username field. For security purposes, you will then be asked to create a personalized Username.

## Mid to Late April 2008—First Quarter Statement Mailings

You will receive your last statement from ING, showing your account activity through March 7, 2008. Your final ING statements will show a zero balance, with your accounts transferred to Great-West as the new service provider.

Around this same time, you will receive your first quarterly account statement from Great-West with an accurate account balance at March 31, 2008, as well as any activity from March 7, 2008, through March 31, 2008.

### *To-do list:*

- No re-enrollment is necessary.
- The transition will happen automatically.
- Mark your calendar with important transition dates.
- Attend an informational meeting.

### *Suggested activities prior to March 5, 2008:*

- Complete all account transactions.
- Download or print any stored statements you have with ING.

## NEW CONVENIENT OFFICE LOCATIONS

### Regional Service Center

#### Waltham – New!

255 Bear Hill Rd.  
Waltham, MA 02451  
Available Monday through Friday  
from 9:00 a.m. to 5:00 p.m.

**Opening Spring 2008**

#### Boston

One Ashburton Place, 12th Floor  
Boston, MA 02108  
Available Monday through Friday  
from 9:00 a.m. to 4:00 p.m.

**Opening March 3, 2008**

#### Boston – New!

31 St. James Avenue, Suite 810  
Boston, MA 02116  
Available by appointment

**Now Open!**

#### Springfield

436 Dwight Street, Room 109  
Springfield, MA 01103  
Available Monday,  
Wednesday and Friday

**Opening March 3, 2008**

#### Worcester

2 Chestnut Place/22 Elm Street  
Worcester, MA 01608  
Available Monday through Friday

**Opening March 3, 2008**

#### Framingham – New!

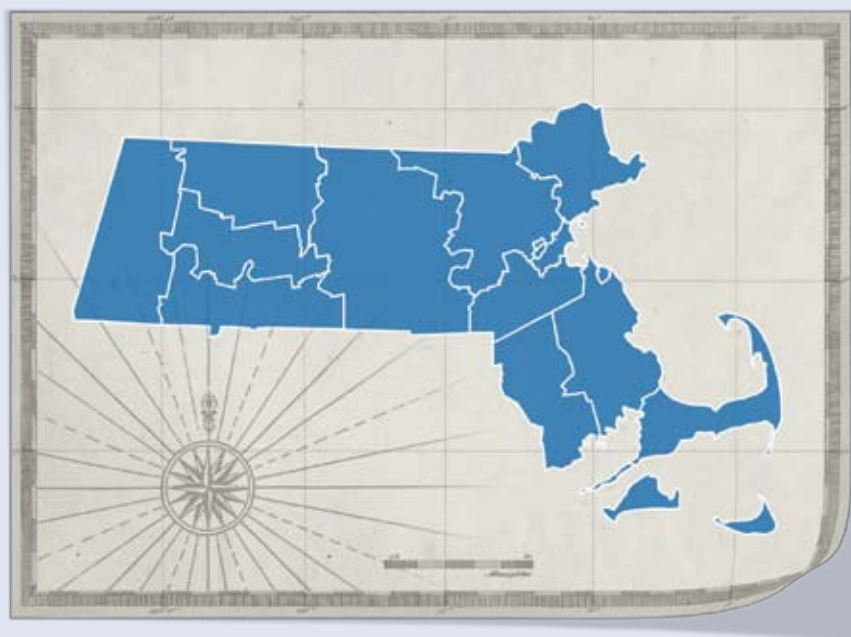
945 Concord Street  
Framingham, MA 01701  
Available by appointment

**Now Open!**

#### Quincy

859 Willard Street  
Quincy, MA 02169  
Available by appointment

**Now Open!**



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To access the most current list of local  
representatives, go to [www.mass-smart.com](http://www.mass-smart.com) >  
Contact Us > Find Your Local Representative.

1 Due to IRS Regulations, contribution amount changes will not be effective until the next calendar month after the request was made.

2 Access to the automated voice response system and Web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

3 Representatives of GWFS Equities, Inc. are not registered investment advisers, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

4 These dates are subject to change based on the ability of ING and Great-West Retirement Services to meet the associated deadlines and the successful transfer of data and assets by ING to Great-West Retirement Services.

5 The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

### **Core securities, when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.**

Managed account, guidance and advice services are offered by Advised Assets Group, LLC (AAG) a federally registered investment adviser. Securities, when offered, are offered through GWFS Equities, Inc. AAG and GWFS Equities, Inc. are wholly owned subsidiaries of Great-West Life & Annuity Insurance Company. Representatives of GWFS Equities, Inc. are not registered investment advisers, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative services. Securities available through the Self-Directed Brokerage Account (SDBA) are offered by Charles Schwab. Additional information can be obtained by calling the Schwab PCRA call center at (888) 393-PCRA (7272). Charles Schwab, Great-West Retirement Services and ING are separate and unaffiliated companies. Funds may impose redemption fees, and/or transfer restrictions, on certain transfers, redemptions or exchanges. Investment options offered through a combination of mutual funds, collective trust funds and separately managed institutional accounts. Great-West Retirement Services® refers to products and services provided by Great-West Life & Annuity Insurance Company and its subsidiaries and affiliates. Great-West Retirement Services®, Online File Cabinet® and Reality Investing<sup>SM</sup> are service marks of Great-West Life & Annuity Insurance Company. All rights reserved.

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